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LISTING STATEMENT NO. 2413.

LISTED DECEMBER 5, 1969.
630,000 Shares without par value of which 28,700
Shares are subject to issuance.
Stock Symbol "BRE".
Post Section 10.
Dial Quotation No. 2331.

flb

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

BEAVER ENGINEERING LIMITED

Continued under the laws of the Province of Ontario
by Letters Patent dated September 2, 1969.

CAPITALIZATION AS AT NOVEMBER 12, 1969.

SHARE CAPITAL	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
Shares without par value	1,200,000	600,000	630,000*

*of which 30,000 have been reserved and set aside for the purpose of the Company's Stock Option Plan.

LONG-TERM DEBT	OUTSTANDING AT NOVEMBER 12, 1969
6% First Mortgage due May 1, 1984	\$199,174.98

1. APPLICATION

BEAVER ENGINEERING LIMITED (herein called the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 630,000 shares without par value of the Company, of which 600,000 have been issued and are outstanding as fully paid and non-assessable and 18,000 have been allotted to certain directors and key employees subject to issue on exercise of stock options prior to October 15, 1974, at \$5.80 per share and 12,000 shares have been reserved to be issued under the Company's Stock Option Plan at prices and on terms to be established by the Executive Committee of the Board of Directors from time to time.

2. REFERENCE TO PROSPECTUS

Reference is hereby made to the attached Prospectus issued by the Company dated October 15, 1969, with respect to the offering of 200,000 shares, a copy of which Prospectus is hereby incorporated in this application and made part hereof.

3. SHARES ISSUED DURING THE PAST TEN YEARS

Date of Issue	Number of Shares Issued	Amount Realized Per Share	Total Amount Realized	Amount deemed to be paid up thereon	Purpose of Issue
September 11, 1969	500,000	—	—	\$8,206	The shares were issued upon the amalgamation of Beaver Air Conditioning Limited, and Lorne Crest Developments Limited, to the holders of the shares of the amalgamating companies, and the amount deemed to be paid up thereon represents the aggregate paid up capital of the amalgamating companies.
November 12, 1969	100,000	\$5.80	\$580,000	—	See "Use of Proceeds" on page 7 of the attached Prospectus.

4. **LISTING ON OTHER STOCK EXCHANGES**
There are no securities of the Company listed on any other stock exchange.

5. **FUNDED DEBT**
Reference is hereby made to page 6 of the attached Prospectus under the heading "Capitalization".

6. **STATUS UNDER SECURITIES ACT**
The 200,000 shares offered for sale by the Prospectus referred to in paragraph 2 above were qualified for sale to the public under the laws of the Provinces of Canada (other than Newfoundland and Québec) through appropriate registrants registered under the applicable laws of such Provinces.

7. **FISCAL YEAR**
The fiscal year of the Company ends on December 31 in each year.

8. **ANNUAL MEETINGS**
The by-laws of the Company provide that the annual meeting of shareholders of the Company shall be held at such time and place in each year as the Board of Directors shall from time to time determine. No annual meeting of shareholders of the Company has as yet been held.

9. **HEAD AND OTHER OFFICES**
The Company's principal and head office is located at 70 Queen Elizabeth Boulevard, Toronto 18, Ontario. The Company operates branch offices in Brantford, Kitchener, London, Peterborough, and Windsor.

10. **TRANSFER AGENT AND REGISTRAR**
The transfer agent and registrar for the shares of the Company is Canada Permanent Trust Company at its principal offices in Toronto, Halifax, Winnipeg, Calgary, and Vancouver.

11. **TRANSFER FEE**
No fee is charged on share transfers other than the customary government share transfer taxes.

12. **AUDITORS**
Messrs. Touche, Ross, Bailey & Smart, 200 University Avenue, Toronto 1, Ontario, are the auditors of the Company.

13. **DIRECTORS AND OFFICERS**
The names in full and home addresses of the directors and senior officers of the Company, the offices held by them in the Company, and their principal occupations within the five preceding years, are as follows:

<u>Name and Address</u>	<u>Office</u>	<u>Principal Occupation</u>
William Henry Harper, P. Eng. 425 The Kingsway Islington, Ontario	President and Chairman of the Board	Chairman of the Board and Chief Executive Officer of Beaver Air Conditioning Limited
James Lawrence Attwood, P. Eng. 35 Twyford Road Islington, Ontario	Vice-President, Secretary and Director	Vice-President/Secretary in charge of Industrial, Commercial and Residential Division of Beaver Air Conditioning Limited.
Colin Hersh, P. Eng. 9 Burnt Log Crescent Etobicoke, Ontario	Vice-President and Director	Vice-President of Beaver Air Conditioning Limited in charge of Branches, Service, and Sheet Metal Divisions.
Charles Edward Bell, P. Eng. 16 Canterbury Road Islington, Ontario	Director	Manager, Industrial Division of Beaver Air Con- ditioning Limited.
Lawrence Land Bell 30 Mason Boulevard Toronto, Ontario	Director	Partner and previously Assistant General Manager, Richardson Securities of Canada.
Willard Zebedee Estey, Q.C. 67 Edenvale Crescent, Islington, Ontario	Director	Barrister and Solicitor, Robertson, Lane, Perrett, Frankish & Estey.
Elmer Clarence Strongitharm 44 Warbeck Place Weston, Ontario	Director	Manager, Sheet Metal Division of Beaver Air Conditioning Limited.
Gerald Edwin Blair, P. Eng. 675 Sir Richard's Road Mississauga, Ontario	Director	Manager, Commercial Division of Beaver Air Con- ditioning Limited. Previously Manager, Windsor Branch.
Lloyd Adam Book 50 Lincoln Avenue Brantford, Ontario	Director	Manager, Book Division of Beaver Air Condition- ing Limited. Previously President of Lloyd A. Book Ltd.

This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale.

No securities commission or similar authority in Canada has in any way passed upon the merits of the shares offered hereunder and any representation to the contrary is an offence.

NEW AND SECONDARY ISSUE:

Of the 200,000 shares offered by this prospectus, 100,000 of such shares are being sold on behalf of shareholders of Beaver Engineering Limited and no proceeds of the sale of the said shares will be received by Beaver Engineering Limited. Reference is made to the heading Principal and Selling Shareholders on page 11.



200,000 shares
(Without par value)

Price: \$6.25 per share

	Price to Public	Proceeds to the Underwriter	Proceeds to the Company (1)	Proceeds to Selling Shareholders (1)
Per share _____	\$6.25	\$.45	\$5.80	\$5.80
Total _____	\$1,250,000	\$90,000	\$580,000	\$580,000

(1) Before deducting expenses of this issue estimated to be \$45,000, of which \$37,500 is to be paid by Beaver Engineering Limited and \$7,500 is to be paid by the Selling Shareholders.

In the opinion of counsel, these shares will be investments in which the Canadian and British Insurance Companies Act (Canada) states that a company registered under Part III thereof may invest its funds without resorting to the provisions of subsection (4) of Section 63 of the said Act and will also be an investment in which Schedule C to the Regulations under the Pension Benefits Standards Act (Canada) states that the funds of a pension plan thereunder may be invested without resorting to the provisions of Section 4 of the said Schedule C.

Application has been made to list the shares of Beaver Engineering Limited on The Toronto Stock Exchange. Acceptance of listing will be subject to the filing of required documents and evidence of satisfactory distribution, both within 90 days.

We, as principals, offer these shares, subject to prior sale, if, as and when delivered to and accepted by us and subject to the approval of all legal matters on behalf of Beaver Engineering Limited by Messrs. Robertson, Lane, Perrett, Frankish & Estey, Toronto, and on our behalf by Messrs. Davies, Ward & Beck, Toronto.

It is expected that definitive share certificates will be available on or about November 12, 1969.



RICHARDSON SECURITIES OF CANADA

HEAD OFFICE: WINNIPEG, MANITOBA

HALIFAX, DARTMOUTH, CHARLOTTETOWN, SUMMERSIDE, MONCTON, SAINT JOHN, FREDERICTON, QUEBEC CITY, MONTREAL, OTTAWA, KINGSTON, TORONTO, HAMILTON, SIMCOE, SARNIA, GALT, KITCHENER, LONDON, SUDBURY, CHATHAM, WINDSOR, KENORA, WINNIPEG, BRANDON, REGINA, MOOSE JAW, SASKATOON, SWIFT CURRENT, MEDICINE HAT, LETHBRIDGE, EDMONTON, CALGARY, PRINCE GEORGE, VANCOUVER, VICTORIA, LONDON (ENGLAND), FRANKFURT (W. GERMANY), HONG KONG.

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PURCHASER'S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

The Securities Act, 1966 (Ontario), The Securities Act, 1968 (Manitoba), The Securities Act, 1967 (Saskatchewan) and The Securities Act, 1967 (Alberta) provide, in effect, that where a security is offered to the public in the course of primary distribution:

- (a) a purchaser will not be bound by a contract for the purchase of such security if written or telegraphic notice of his intention not to be bound is received by the vendor or his agent not later than midnight on the second business day after the prospectus or amended prospectus offering such security is received or is deemed to be received by him or his agent; and
- (b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the later of the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

The Securities Act, 1967 (British Columbia) provides, in effect, that a purchaser has a right of rescission similar to that described in (b) above; and also that a purchaser has the right to rescind a contract for the purchase of a security, while still the owner thereof, if a copy of the last prospectus, together with financial statements and reports and summaries of reports relating to the securities, as filed with the British Columbia Securities Commission, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities, but written notice of intention to commence an action for such rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, and no action shall be commenced after the expiration of 3 months from the date of service of such notice.

Reference is made to the said Acts for the complete texts of the provisions under which the foregoing rights are conferred and the foregoing summaries are subject to the express terms of such Acts.

BEAVER ENGINEERING LIMITED

The Company

Beaver Engineering Limited is a corporation continued under The Corporations Act (Ontario) by letters patent of amalgamation dated September 2, 1969, confirming the amalgamation agreement between Beaver Air Conditioning Limited and Lorne Crest Developments Limited (the Predecessor Companies). Beaver Engineering Limited is, and where the context so requires, Beaver Engineering Limited and the Predecessor Companies together are herein collectively referred to as "Beaver."

The head office and principal place of business of Beaver is located at 70 Queen Elizabeth Boulevard, Toronto 18, Ontario.

History

In October of 1953 Messrs. W. H. Harper, J. L. Attwood and B. M. McKinney commenced the business of air conditioning contracting in partnership under the firm name and style of Beaver Engineering Company. By letters patent dated July 20, 1954, Dynatherm Limited (Dynatherm) was incorporated under the laws of the Province of Ontario and immediately acquired the business and assets of the partnership. Dynatherm continued to carry on the business of the partnership under the firm name and style of Beaver Engineering Company, Messrs. Harper and Attwood being the controlling shareholders.

Beaver Air Conditioning Limited was incorporated under the laws of the Province of Ontario by letters patent dated September 28, 1956 to carry out installation and service work for Dynatherm, which was still carrying on business under the firm name and style of Beaver Engineering Company.

By letters patent dated December 30, 1960, Beaver Air Conditioning Limited and Dynatherm were amalgamated pursuant to Section 96 of The Corporations Act (Ontario) to constitute The Beaver Air Conditioning Limited. By supplementary letters patent dated December 22, 1966, the name of The Beaver Air Conditioning Limited was changed to Beaver Air Conditioning Limited.

Lorne Crest Developments Limited, which was incorporated under the laws of the Province of Ontario by letters patent dated June 15, 1955, prior to the amalgamation leased certain moveable property to Beaver Air Conditioning Limited. Reference is made to item (3) under the subheading Interest of Management and Others in Material Transactions on page 10.

Business

Beaver's business is the design, fabrication, installation and service of air conditioning, heating, refrigeration and ventilation systems and the manufacture of related custom equipment. Beaver specializes in the total package concept (from design through installation) of such systems but will also undertake any portion of a project desired by a customer. Beaver maintains a staff of 18 professional engineers and approximately 275 employees in all and has collective agreements with a number of construction unions. Engineering personnel participate in and supervise projects from the initial design stage through to installation of the system.

The economies derived from the utilization of the total package concept enable Beaver to eliminate markup on subcontract work and thereby offer customers quality systems at competitive prices.

Beaver is one of Carrier Corporation's largest North American dealers and has been the largest in Canada for over 15 consecutive years. Carrier Corporation is the largest manufacturer of air conditioning

equipment in the world. Beaver also utilizes products of other leading designers and manufacturers of related heating, ventilating and air conditioning equipment.

Beaver operates branch offices in Brantford, Kitchener, London, Peterborough and Windsor. Service is provided elsewhere in Canada through agency relationships with other companies. Beaver presently plans to open five new Beaver-owned branch offices over the next 5 years; the aim of Beaver is that branches will eventually be located in all major cities in Canada. With completion of presently contracted work in Newfoundland, Beaver will have made installations in each of Canada's provinces.

During the latter half of 1967, Beaver was reorganized on a divisional basis. Each division operates as an independent profit centre. Improved corporate performance has resulted from the establishment of this divisional organization.

Commercial Division

This division specializes in installations for shopping centres, department stores, office buildings, theatres and other commercial buildings. The needs of the customer are studied and a quoted price for the complete engineering design and installation of the system is presented. Beaver guarantees construction of the system at the quoted price. Businesses served by this division include the leading national chain, specialty and department store operators.

Industrial Division

Temperature and humidity control are important factors today in the maintenance of high productivity levels of both people and automated machinery. This division specializes in the industrial applications of air conditioning, ventilation and refrigeration. The same basic operating policy prevails as in the commercial division of providing a firm contract covering everything from design through installation to satisfactory turn-key operation.

Management believes that with rising wage rates in industrial plants, the need for improved productivity through industrial air conditioning should make this division the fastest growing segment of Beaver's business.

Residential Division

This division specializes in the design and installation of central air conditioning systems in homes. Beaver provides total climate control facilities, including air conditioning, heating, cooling, humidification, dehumidification and air cleaning. Many of these installations consist of additions to existing heating systems.

Sheet Metal Division

This division fabricates and installs exhaust, dust collecting, makeup air, pneumatic material handling and other systems, as well as the ductwork required in an air conditioning system. Fabricating shops are located in Toronto and Windsor. Specialty sheet metal items are made in each shop.

To install all systems, Beaver has a construction staff of approximately 125 tradesmen such as refrigeration workers, sheet metal mechanics, pipe fitters and electricians.

Service Division

Management believes that Beaver operates the largest air conditioning and refrigeration servicing organization in Canada. Service is offered to all users of air conditioning equipment, regardless of whether or not the system was installed by Beaver. Beaver strives to keep customers satisfied by providing prompt and efficient service and utilizes the constant feedback of performance information from service mechanics to aid in the design of new systems.

Beaver maintains a service repair shop and an adequate inventory of parts at various depots and branch premises. A fleet of over 50 fully-equipped service trucks is maintained to ensure prompt attention to service calls. Communication with service personnel is maintained through an electronic signalling system. Beaver also has authorized service agents in areas not conveniently served through existing Beaver branches.

The service division employs approximately 75 people. Service is rendered (i) on a call basis, (ii) by contracts covering a specific amount of service labor per year and (iii) under full maintenance contracts covering parts and labor. The latter essentially provide the customer with an insurance policy to keep his equipment in operation without expense beyond the cost of the contract and is a rapidly growing segment of the operation of this division.

Business Volume

The gross completed sales of Beaver are shown in the Pro Forma Combined and Consolidated Statement of Earnings on page 16 and are set out for the various fiscal periods in the following table. Also included in this table are the aggregate values of contracts on hand for the same dates.

<u>Twelve Months Ended</u>	<u>Completed Sales Volume</u>	<u>Aggregate Value of Contracts on Hand (including work in progress)</u>
	(000's)	(000's)
August 31, 1964	\$2,565	\$ 781
August 31, 1965	2,190	1,792
August 31, 1966	3,640	2,319
December 31, 1967	4,084	1,704
December 31, 1968	5,244	2,713
Six months ended June 30, 1969	3,262 (1968-2,289)	2,522 (1968-2,745)

Of the aggregate value of contracts on hand as at June 30, 1969, it is estimated that contracts of \$1,706,000 will be completed in 1969 and contracts of \$816,000 will be completed in 1970.

Since June 30, 1969 Beaver has booked orders aggregating approximately \$3,130,000, of which orders amounting to approximately \$1,000,000 are scheduled for 1969 completion.

Beaver follows the conservative accounting policy of recording contract profits only upon full completion of the contract. No profit or overhead is taken into the accounts for work in progress. Work in progress has averaged about \$750,000 at the end of each of the last six fiscal periods.

The volume of Beaver's sales is currently made up by about 15% tender work, 65% negotiated contract and 20% service. The sales volume attributable to the service business is not included in the above table of aggregate value of contracts on hand. The profit derived from Beaver's service business, representing 20% of sales volume, is substantially more than 20% of Beaver's total profit.

Property

Beaver's head office and principal operations are located in a modern plant consisting of 57,000 square feet, ideally situated for the purposes of Beaver at 70 Queen Elizabeth Boulevard in the Municipality of Metropolitan Toronto. Of this 57,000 square feet, approximately 20,000 square feet are leased by Beaver on a short-term basis to a third party. The plant site of about 4½ acres is capable of accommodating any future expansion now contemplated.

The above described lands and premises were purchased by Beaver on June 30, 1969. The particulars of this acquisition are described under the subheading Interest of Management and Others in Material Transactions on page 9.

Beaver leases office and plant facilities in Brantford (2,070 square feet), Kitchener (1,320 square feet), London (950 square feet) and Windsor (7,000 square feet).

CAPITALIZATION

<u>Designation of Securities</u>	<u>Authorized</u>	<u>Outstanding at June 30, 1969</u>	<u>Outstanding at September 15, 1969</u>	<u>Outstanding at September 15, 1969 after giving effect to this Financing</u>
	\$	\$	\$	\$
Current Debt:				
Bank indebtedness (1)	—	503,587	325,000	—
Long-Term Debt:				
6% first mortgage due May 1, 1984 (2)	—	202,045	200,617	200,617
Capital Stock:				
Shares without par value		8,206	8,206	588,206
	(1,200,000	(500,000	(500,000	(600,000
	shares) (3 and 4)	shares) (3)	shares)	shares) (3)

- (1) Bank indebtedness is secured by a general assignment of book debts.
- (2) The mortgage is secured on lands and premises municipally known as 70 Queen Elizabeth Boulevard in the Municipality of Metropolitan Toronto. For particulars of the said mortgage, reference is made to Note 4 to the Pro Forma Financial Statements on page 17.
- (3) See Notes 1 and 2 to the Pro Forma Financial Statements on page 17.
- (4) 30,000 of such shares are subject to a stock option plan more fully described under the subheading Options to Purchase Securities on page 9. Options in respect of 18,000 of the said 30,000 shares have been granted.
- (5) Reference is made to Note 7 to the Pro Forma Financial Statements on page 18 concerning the extent of obligations arising under leases of real property occupied by Beaver.

THE SHARES

Description of the Shares

The authorized capital of Beaver consists of 1,200,000 shares without par value, of which 600,000 shares will be issued and outstanding as fully paid and non-assessable upon completion of this financing. All shares of Beaver will rank equally with respect to dividends as and when declared by the board of directors, are entitled to one vote per share at all meetings of shareholders, are entitled upon winding-up, liquidation or other distribution to receive equally such assets of Beaver as are distributable to shareholders, and have no pre-emptive or conversion rights.

Dividend Record and Policy

Dividends have been paid from time to time in prior years by Beaver.

The following sets forth on a pro forma basis the dividends paid during the periods indicated by the Predecessor Companies per common share assuming: (1) that the Predecessor Companies had been amalgamated throughout such periods; and (2) that the number of common shares outstanding throughout such periods was the same number (500,000) as were outstanding immediately following the amalgamation of the Predecessor Companies on September 2, 1969.

Period Ended	Common Dividends Paid	Pro Forma Amount Per Share
Four months ended December 31, 1966	In Preference Shares \$50,700 In Cash \$12,500	12.64¢
Twelve months ended December 31, 1967	In Cash \$41,774	8.35¢
Twelve months ended December 31, 1968	In Cash \$25,000	5.0¢
Eight months ended September 1, 1969	In Preference Shares \$87,000 In Cash \$5,000	18.4¢

In addition, dividends were paid at the rate of \$5.00 per share per annum by Beaver Air Conditioning Limited on its 670 outstanding preference shares during each of the fiscal periods ending on August 31 in 1964, 1965 and 1966 and subsequently in 1966 until such shares were redeemed in December, 1966. In 1969 Lorne Crest Developments Limited paid a dividend of \$4.00 per share on its preference shares issued and outstanding at that time, totalling \$200.00. Reference is made to the Pro Forma Combined and Consolidated Statement of Retained Earnings on page 15.

Payment of dividends by Beaver will be determined from time to time by the board of directors on the basis of then prevailing financial requirements, earnings and other relevant factors.

PLAN OF DISTRIBUTION

Under an agreement dated October 15, 1969 made between Beaver, certain shareholders of Beaver (the Selling Shareholders), described under the heading Principal and Selling Shareholders on page 11, and Richardson Securities of Canada (Underwriter), as underwriter, Beaver and the Selling Shareholders agreed to sell and the Underwriter agreed to purchase, as principal, all of the 200,000 shares offered by this prospectus for a total consideration of \$1,160,000, payable in cash on delivery of certificates therefor in definitive form. Subject to compliance with the necessary legal formalities and to the terms and conditions stated in the said agreement, if any of the offered shares are taken up the Underwriter is committed to take up and pay for all of the shares.

Pursuant to an agreement dated October 15, 1969, the persons listed on page 11 under the heading Principal and Selling Shareholders (other than Mrs. Harper, Mrs. Attwood, Mrs. Hersh and Mrs. Bell) have agreed with the Underwriter not to sell, dispose of or otherwise deal in, directly or indirectly, (otherwise than is contemplated hereunder) shares of Beaver for a period of 12 months from the date of this prospectus without the prior written consent of the Underwriter.

After giving effect to the issuance by Beaver of 100,000 of the shares offered by this prospectus, the net book value per share of the issued and outstanding shares of Beaver will be approximately \$2.04.

USE OF PROCEEDS

The proceeds to be derived by Beaver from the sale of 100,000 of the 200,000 shares offered by this prospectus (after deduction of Beaver's share of the expenses of the issue estimated at \$37,500) will be applied as to \$325,000 to repay the balance of a bank indebtedness originally incurred in part for working capital purposes and in part to finance the cash portion of the purchase of real estate, referred to in item (1) under the subheading Interest of Management and Others in Material Transactions on page 9 and as to the remainder, namely \$217,500, to augment working capital.

MANAGEMENT

Directors and Officers

The names in full and home addresses of the directors and officers of Beaver, the offices held by them in Beaver, and their principal occupations within the 5 preceding years are as follows:

<u>Name and Address</u>	<u>Office</u>	<u>Principal Occupation</u>
William Henry Harper, P.Eng., 425 The Kingsway, Islington, Ontario.	President and Chairman of the Board	Chairman of the Board and Chief Executive Officer of Beaver Air Conditioning Limited.
James Lawrence Attwood, P.Eng., 35 Twyford Road, Islington, Ontario.	Vice President, Secretary and Director	Vice President/Secretary in charge of Industrial, Commercial and Residential Division of Beaver Air Conditioning Limited.
Colin Hersh, P.Eng., 9 Burnt Log Crescent, Etobicoke, Ontario.	Vice President and Director	Vice President of Beaver Air Conditioning Limited in charge of Branches, Service and Sheet Metal Divisions.
Charles Edward Bell, P.Eng., 16 Canterbury Road, Islington, Ontario.	Director	Manager, Industrial Division of Beaver Air Conditioning Limited.
Lawrence Land Bell, 30 Mason Boulevard, Toronto, Ontario.	Director	Partner and previously Assistant General Manager, Richardson Securities of Canada.
Willard Zebedee Estey, Q.C., 67 Edenvale Crescent, Islington, Ontario.	Director	Barrister and Solicitor, Robertson, Lane, Perrett, Frankish & Estey.
Elmer Clarence Strongitharm, 44 Warbeck Place, Weston, Ontario.	Director	Manager, Sheet Metal Division of Beaver Air Conditioning Limited.
Gerald Erwin Blair, P.Eng., 675 Sir Richard's Road, Mississauga, Ontario.	Director	Manager, Commercial Division of Beaver Air Conditioning Limited. Previously Manager, Windsor Branch.
Lloyd Adam Book, 50 Lincoln Avenue, Brantford, Ontario.	Director	Manager, Book Division of Beaver Air Conditioning Limited. Previously President of Lloyd A. Book Ltd.

The management of the business and undertaking of Beaver, from its inception as a partnership as described under the subheading History on page 3, has been under the direction of W. H. Harper, P.Eng., as Managing Partner and subsequently as President of the successive corporations under which the enterprise was conducted. J. L. Attwood, P.Eng., has been Vice-President, Engineering of the successive corporations. C. Hersh, P.Eng., and C. E. Bell, P.Eng., have held senior executive and sales positions with Beaver from 1955 and 1954, respectively.

Before establishing the Beaver enterprise, Messrs. Harper and Attwood were employed with Carrier Engineering Limited for several years, during which time they were employed in air conditioning engineering and construction. Similarly, Messrs. Bell and Hersh came to the Beaver organization after some years of experience with Carrier Engineering Limited.

Remuneration of the Directors and Senior Officers

The aggregate remuneration (salary and bonus) paid or payable by Beaver to the directors and senior officers of Beaver during its last completed financial year ended December 31, 1968 was \$184,564 and for the period January 1, 1969 to August 31, 1969 was \$97,885. The aggregate remuneration estimated to be payable by Beaver to the directors and senior officers of Beaver during the year ending December 31, 1969 is \$150,000.

The cost to Beaver during the year ended December 31, 1968 of all pension benefits proposed to be paid on retirement at normal retirement age on behalf of senior officers and directors was approximately \$10,000.

Options to Purchase Securities

Beaver has established a stock option plan, under which options were granted on October 15, 1969 to certain key employees, other than officers of Beaver, to purchase an aggregate of 18,000 shares of Beaver at a price of \$5.80 per share. The options granted are for a 5 year period but are exercisable as to not more than 20% on a cumulative basis in each year by each optionee. Options will expire in 1974 or earlier upon the optionee ceasing to be an employee of Beaver. In addition, Beaver has reserved a further 12,000 shares to be issued under the plan at prices and on terms to be established by the executive committee of the Board of Directors from time to time.

Of the above mentioned 18,000 shares held under option, 6,000 shares are held under option by directors of Beaver.

Interest of Management and Others in Material Transactions

(1) Under an agreement dated September 1, 1966, The Beaver Air Conditioning Limited sold the lands and premises then occupied by it, known as 70 Queen Elizabeth Boulevard, Toronto, to Messrs. Harper, Attwood, Hersh and C. E. Bell, directors, officers and Principal Shareholders of Beaver, for a total consideration of \$306,191 (the book value of such property at that time). The purchase price was satisfied in part by the assumption of a first mortgage on such property in the principal amount of \$224,285. On June 30, 1969 Beaver Air Conditioning Limited acquired the said premises from Messrs. Harper, Attwood, Hersh and C. E. Bell for a total consideration of \$592,500. This consideration represents the average of valuations established by appraisals of this property in June, 1969 made by John M. Garton, an employee of Gibson, Willoughby Limited, and W. J. Riddell, an employee of Canada Permanent Trust Company. This purchase price was satisfied in part by a cash payment of \$390,455 and as to the balance by the assumption of a first mortgage in the amount of \$202,045, bearing interest at 6% per annum, payable in blended payments of principal and interest of \$1,710 on the first day of each month. During the period of time in which the property was owned by Messrs. Harper (as to 36%), Attwood (as to 36%), Hersh (as to 10%), and Bell (as to 18%), the property was leased by Beaver at an annual rental of approximately \$50,000.

(2) Under an agreement dated September 15, 1967, Beaver Air Conditioning Limited purchased from Lloyd A. Book Limited and Weathermatic Co. Limited substantially all the assets and undertaking of the said vendor companies for a consideration of \$41,500. Lloyd A. Book Limited, whose address is 63 Queen Street, Brantford, Ontario, is an associate of Lloyd A. Book, a director of Beaver, by reason of the fact that Lloyd A. Book beneficially owned all the shares of Lloyd A. Book Limited. Ina Orr Book, wife of Lloyd A. Book, beneficially owned all the shares of Weathermatic Co. Limited.

Lloyd A. Book Limited and Weathermatic Co. Limited had been operating a refrigeration service business in the Brantford, London and Kitchener areas in the Province of Ontario. Pursuant to the said agreement, Beaver has entered into an employment contract with Lloyd A. Book for a period of 5 years, under which Mr. Book is to be paid a basic salary of \$12,000 per annum plus 10% of the net profits of Beaver's branches in London, Kitchener and Brantford. Beaver has also leased from Lloyd A. Book certain premises occupied by Beaver in Brantford for a term of 3 years, expiring on May 31, 1970. The annual rental under this lease is \$1,650. The lease contains a right of renewal for a further term of 2 years.

(3) Under a continuing arrangement from September 1, 1962, which was amended from time to time, Beaver Air Conditioning Limited leased furniture, machinery, vehicles and equipment from Lorne Crest Developments Limited, at an annual rental equal to a percentage of the depreciated book value thereof as at the end of the current year (before deducting depreciation for that year), such percentage being 42% in respect of vehicles and 32% in respect of other assets. During the period from August 31, 1966 to September 2, 1969, all of the outstanding common shares in the capital of Lorne Crest Developments Limited (which were purchased by the undermentioned persons on August 24, 1966 for \$12,748) were held as to 35% by Mrs. W. H. Harper, as to 35% by Mrs. J. L. Attwood, as to 20% by Mrs. Colin Hersh and as to 10% by Mrs. C. E. Bell, all of whom are wives of directors and principal shareholders of Beaver. The revenue of Lorne Crest Developments Limited derived from Beaver Air Conditioning Limited during this period was approximately \$123,000.

(4) Under an agreement dated July 24, 1967 Beaver Air Conditioning Limited purchased all of the outstanding shares of Circle Refrigeration Limited (Circle), an investment company, from W. H. Harper and J. L. Attwood, senior officers and directors of Beaver, for a cash consideration of \$21,104, being the book value of the underlying assets of Circle according to its then most recent financial statements. On December 30, 1968, pursuant to an oral agreement, Beaver Air Conditioning Limited sold all of the Circle shares to Messrs. Harper and Attwood for a cash consideration of \$25,000, being about \$4,000 in excess of the book value of the underlying assets of Circle according to its then most recent financial statements. Messrs. Harper and Attwood participated equally as between them in these transactions.

PRINCIPAL AND SELLING SHAREHOLDERS

The following are the Selling Shareholders and the principal holders of shares of Beaver.

Name and Address	Number of Shares Owned Beneficially and of Record as at September 15, 1969	Approximate Percentage of Shares as at September 15, 1969	Number of Shares to be Sold by Selling Shareholders	Number of Shares to be Owned Following Financing	Approximate Percentage of Shares to be Owned Following Financing
William Henry Harper, 425 The Kingsway, Islington, Ontario.	157,760*	31.5	29,760	128,000	21.3
Isobel Beatrice Harper, (wife of William H. Harper).	2,450	.5	2,450	—	—
James Lawrence Attwood, 35 Twyford Road, Islington, Ontario.	157,760	31.5	29,760	128,000	21.3
Edris Abbie Attwood, (wife of James L. Attwood).	2,450	.5	2,450	—	—
Colin Hersh, 9 Burnt Log Crescent, Etobicoke, Ontario.	49,300	10.0	9,300	40,000	6.7
Anne Hersh, (wife of Colin Hersh).	1,400	.3	1,400	—	—
Charles Edward Bell, 16 Canterbury Road, Islington, Ontario.	69,020	13.9	13,020	56,000	9.3
Lenore Bell, (wife of C. E. Bell).	700	.1	700	—	—
Gerald Erwin Blair, 675 Sir Richard's Road, Mississauga, Ontario.	24,650	4.9	4,650	20,000	3.3
Elmer Clarence Strongitharm, 44 Warbeck Place, Weston, Ontario.	19,720	3.9	3,720	16,000	2.7
William King, 2562 Rugby Street, Mississauga, Ontario.	14,790	2.9	2,790	12,000	2.0
	<u>500,000</u>	<u>100%</u>	<u>100,000</u>	<u>400,000</u>	<u>66.6%</u>

*Three directors each hold 1 share in the capital stock of Beaver in trust for William Henry Harper.

As of September 15, 1969 the directors and senior officers of Beaver, as a group, owned directly or indirectly, of record and beneficially, 95.7% of the outstanding shares of Beaver. Upon completion of this financing, the directors and senior officers of Beaver, as a group, will own directly or indirectly, of record and beneficially, 388,000 of the outstanding shares of Beaver, representing 64 $\frac{2}{3}$ % of the class.

MATERIAL CONTRACTS

Particulars regarding material contracts entered into by Beaver within the 2 years preceding the date hereof, other than contracts in the ordinary course of business, are:

- (1) The underwriting agreement dated October 15, 1969 made between Richardson Securities of Canada, Beaver and the Selling Shareholders, referred to under the heading Plan of Distribution on page 7;
- (2) An amalgamation agreement dated July 25, 1969 between the Predecessor Companies confirmed by letters patent of amalgamation, referred to under the subheading The Company on page 3;
- (3) An agreement dated June 27, 1969 between Beaver, as purchaser, and William H. Harper, James L. Attwood, Colin Hersh and Charles E. Bell, as vendors, providing for the acquisition as of June 30, 1969 by Beaver of the lands and premises known as 70 Queen Elizabeth Boulevard, Toronto 18, Ontario, referred to in item (1) under the subheading Interest of Management and Others in Material Transactions on page 9; and
- (4) An agreement made as of September 15, 1967, under which Beaver acquired the assets of Lloyd A. Book Limited and Weathermatic Co. Limited referred to in item (2) under the subheading Interest of Management and Others in Material Transactions on page 10.

Copies of the foregoing agreements may be inspected at the head office of Beaver at 70 Queen Elizabeth Boulevard, Toronto, Ontario, while the shares offered by this prospectus are in the course of primary distribution.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of Beaver are Touche, Ross, Bailey & Smart, Chartered Accountants, 200 University Avenue, Toronto, Ontario.

The transfer agent and registrar for the common shares of Beaver is Canada Permanent Trust Company at its principal offices in Halifax, Toronto, Winnipeg, Calgary and Vancouver.

AUDITORS' REPORT

The Directors,
Beaver Engineering Limited.

We have examined the pro forma balance sheets before and after financing of Beaver Engineering Limited as at June 30, 1969, the pro forma combined and consolidated statement of earnings and adjusted pro forma combined and consolidated statement of earnings for the five years and ten months ended June 30, 1969, and the pro forma combined and consolidated statement of retained earnings for the five years and ten months ended June 30, 1969. Our examination included a general review of accounting procedures and such test of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion:

- (a) The pro forma balance sheet before financing presents fairly the financial position of Beaver Engineering Limited as at June 30, 1969 after giving effect to the transactions in Note 1;
- (b) The pro forma balance sheet after financing presents fairly the financial position of Beaver Engineering Limited as at June 30, 1969 after giving effect to the transactions in Note 2;
- (c) The pro forma combined and consolidated statements of earnings and retained earnings present fairly the results of operations for the five years and ten months ended June 30, 1969; and
- (d) The adjusted pro forma combined and consolidated statement of earnings presents fairly the results of operations for the five years and ten months ended June 30, 1969 after giving effect to the adjustments detailed in Note 3,

all in accordance with generally accepted accounting principles applied on a consistent basis.

Toronto, Ontario,
October 15, 1969.

(Signed) Touche, Ross, Bailey & Smart,
Chartered Accountants.

BEAVER ENGINEERING LIMITED

Pro Forma Balance Sheet, before financing and Pro Forma Balance Sheet, after financing As at June 30, 1969

Assets			
		Before Financing (Note 1)	After Financing (Note 2)
Current:			
Cash		\$ 208,264	\$ 247,177
Accounts Receivable		1,358,925	1,358,925
Inventory at the Lower of Cost and Net Realizable Value		155,996	155,996
Prepaid Expenses		24,205	24,205
		<u>1,747,390</u>	<u>1,786,303</u>
Fixed Assets (Note 4)		688,322	688,322
Goodwill (Note 11)		66,954	66,954
Financing Costs		—	37,500
		<u>\$2,502,666</u>	<u>\$2,579,079</u>

Liabilities			
Current:			
Bank Indebtedness—secured (Note 6)		\$ 503,587	\$ —
Accounts Payable and Accrued Charges		838,915	838,915
Income Taxes Payable		169,269	169,269
Deferred Income on Service Contracts		92,322	92,322
Progress Billings on Uncompleted Contracts	\$ 755,108		
Less: Costs incurred to date (Note 9)	701,071	54,037	54,037
		<u>1,658,130</u>	<u>1,154,543</u>
Long-Term Debt (Note 4)		202,045	202,045

Shareholders' Equity			
Share Capital (Note 10)		8,206	588,206
Retained Earnings (Note 3)		634,285	634,285
		<u>642,491</u>	<u>1,222,491</u>
		<u>\$2,502,666</u>	<u>\$2,579,079</u>

Approved on behalf of the Board:

(Signed) W. H. Harper, Director

(Signed) J. L. Attwood, Director

(See accompanying notes.)

BEAVER ENGINEERING LIMITED

Pro Forma Combined and Consolidated Statement of Retained Earnings For the Five Years and Ten Months Ended June 30, 1969

	For the Years Ended August 31		For the Four Months Ended December 31		For the Years Ended December 31		For the Six Months Ended June 30	
	1964	1965	1966	1966	1967	1968	1968	1969
Retained earnings at beginning of the period	\$ 181,121	\$ 229,431	\$ 279,531	\$ 364,136	\$ 341,586	\$ 335,066	(Unaudited) \$ 335,066	\$ 556,225
Earnings for the period	51,660	53,450	87,955	50,713	35,254	246,159	75,890	170,964
	232,781	282,881	367,486	414,849	376,840	581,225	410,956	727,189
*Deduct:								
Cash dividends—preference	3,350	3,350	3,350	1,115	—	—	—	200
—common	—	—	—	12,500	41,774	25,000	—	5,000
Stock dividends paid in preference shares	—	—	—	50,700	—	—	—	87,000
Tax paid on election under Section 105(2) of the Income Tax Act	—	—	—	8,948	—	—	—	13,250
	3,350	3,350	3,350	73,263	41,774	25,000	—	105,450
Retained earnings at end of the period	\$ 229,431	\$ 279,531	\$ 364,136	\$ 341,586	\$ 335,066	\$ 556,225	\$ 410,956	621,739
Add:								
Income taxes as provided in the Pro Forma Combined and Consolidated State- ment of Earnings on a com- bined basis in excess of actual liability								12,546
Balance at June 30, 1969 per Pro Forma Balance Sheet								\$ 634,285

*Dividends per common share on a pro forma basis assuming that the 500,000 outstanding shares of the amalgamated companies, before financing, had been outstanding throughout the period

In addition, dividends were paid at the rate of \$5.00 per share per annum by Beaver Air Conditioning Limited on its 670 outstanding preference shares during each of the fiscal periods ending on August 31 in 1964, 1965 and 1966 and subsequently in 1966 until such shares were redeemed in December, 1966. In 1969 Lorne Crest Developments Limited paid a dividend of \$4.00 per share on its preference shares issued and outstanding at the time, totalling \$200.00.

(See accompanying notes.)

BEAVER ENGINEERING LIMITED
Pro Forma Combined and Consolidated Statement of Earnings
For the Five Years and Ten Months Ended June 30, 1969

	For the Years Ended August 31		For the Four Months Ended December 31	For the Years Ended December 31		For the Six Months Ended June 30	
	1964	1965	1966	1966	1967	1968	1969
Sales:	\$ 2,565,440	\$ 2,189,827	\$ 3,639,510	\$ 1,566,525	\$ 4,084,386	\$ 2,289,288	\$ 3,261,493
Cost of sales and operating expenses exclusive of items shown below	2,449,076	2,086,611	3,444,676	1,477,687	4,021,504	2,146,133	2,905,476
Depreciation	33,742	31,784	33,719	7,631	25,037	11,892	24,349
Interest on long-term debt	4,725	13,920	13,519	—	—	—	—
Past service pension costs	—	6,979	47,752	—	—	—	—
Earnings from operations	2,487,543	2,139,294	3,539,666	1,485,318	4,046,541	2,158,025	2,929,825
Other income	77,897	50,533	99,844	81,207	37,845	131,263	331,668
Earnings before income taxes	10,622	28,623	39,015	4,866	18,046	10,119	14,643
Income taxes	88,519	79,156	138,859	86,073	55,891	141,382	346,311
Net earnings	36,859	25,706	50,904	35,360	20,637	65,492	175,347
	\$ 51,660	\$ 53,450	\$ 87,955	\$ 50,713	\$ 35,254	\$ 75,890	\$ 170,964

Adjusted Pro Forma Combined and Consolidated Statement of Earnings

Net earnings per Pro Forma Combined and Consolidated Statement of Earnings	\$ 51,660	53,450	\$ 87,955	\$ 50,713	\$ 35,254	\$ 75,890	\$ 170,964
Pro forma adjustments (Note 3):							
Restatement of remuneration of directors and officers	71,450	—	176,742	75,900	80,000	—	—
Related restatement of income taxes	(36,439)	—	(90,138)	(38,709)	(41,600)	—	—
Adjusted net earnings	\$ 86,671	\$ 53,450	\$ 174,559	\$ 87,904	\$ 73,654	\$ 75,890	\$ 170,964

(See accompanying notes.)

BEAVER ENGINEERING LIMITED

Notes to the Pro Forma Financial Statements

June 30, 1969

1. The pro forma balance sheet, before financing, gives effect to:

- (i) issue of letters patent of amalgamation amalgamating Beaver Air Conditioning Limited and Lorne Crest Developments Limited on September 2, 1969 with an authorized share capital of 1,200,000 shares without par value; and
- (ii) conversion of the issued and outstanding shares of the predecessor companies into 500,000 shares of the Company.

2. The pro forma balance sheet, after financing, gives effect to:

- (i) the matters referred to in note 1;
- (ii) issue and sale to an underwriter of 100,000 shares for \$580,000 cash; and
- (iii) the application of the proceeds of (ii) above aggregating \$580,000, as follows:
 - (a) payment of expenses of organization and issue estimated at \$37,500,
 - (b) repayment of bank indebtedness of \$503,587,
 - (c) addition to working capital of \$38,913.

3. Accounting Presentation

- (a) The pro forma combined and consolidated statements of earnings and retained earnings for the five years and ten months ended June 30, 1969 combine the accounts of the predecessor companies.
- (b) All material inter-company transactions have been eliminated.
- (c) The financial year end of Beaver Air Conditioning Limited was August 31, for the years to August 31, 1966, but was changed to December 31 in 1966. The year end of Lorne Crest Developments Limited for each year was April 30. The earnings statements of the latter company have been pro-rated to coincide with the financial periods of the former in preparing the pro forma combined and consolidated statements of earnings and retained earnings of Beaver Engineering Limited.
- (d) The remuneration of those directors and officers who were also shareholders has varied from year to year because of the payment of bonuses in excess of agreed salary levels. In the adjusted pro forma combined and consolidated statement of earnings the remuneration of those persons for each period has been restored to the agreed salary levels and related adjustments of income taxes have been made.

4. Fixed Assets

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Land	\$265,000	\$ —	\$265,000
Building	327,500	—	327,500
Vehicles	118,019	65,056	52,963
Machinery and equipment	57,898	34,759	23,139
Furniture and fixtures	43,804	24,084	19,720
	<u>\$812,221</u>	<u>\$123,899</u>	<u>\$688,322</u>

Under an agreement dated June 27, 1969 the Company purchased from certain shareholders the land and building from which it operates in Toronto at a cost of \$265,000 for the land and \$327,500 for the building. The amounts paid represent the average of valuations of the properties made by two independent professional real estate appraisers. Because of the "non-arm's length" nature of this transaction the cost of the building exceeds by \$86,639 the base for future capital cost allowances under the Income Tax Act. In acquiring this property the Company assumed an outstanding mortgage thereon of \$202,045 at 6%, repayable in amounts of \$1,710 per month, combined principal and interest, 1969 to 1984 with the balance maturing in 1984.

This property was formerly owned by the Company and was sold to such shareholders as of September 1, 1966. During the period from that date to June 30, 1969 the premises have been rented by the Company (a third party occupying a part thereof) at a rental that has exceeded the costs (depreciation, maintenance and financing charges) to the owners by \$22,000 in 1967, \$30,000 in 1968 and \$14,000 in the six months ended June 30, 1969.

5. Depreciation Policy

The predecessor companies have followed a consistent policy of providing depreciation on the "reducing balance" basis at the following per annum rates:

Building	5%
Equipment	20%
Furniture and fixtures	20%
Vehicles	30%

Note, however, that the building was not owned by the Company throughout the period (see comments under "Fixed Assets" note 4).

6. Bank Indebtedness

Bank indebtedness is secured by a general assignment of book debts.

7. Leases

The company's leases are not material in amount.

8. Income Taxes

Full income tax liability has been provided and there is no deferred tax liability.

In the pro forma combined and consolidated statement of retained earnings, the accumulated additional provisions referred to in note 3 (d) are eliminated to reconcile with the actual balance of retained earnings at June 30, 1969.

9. Determination of Income from Contracts

In common with many companies in the contracting business, the Company follows the "completed-contract" method of accounting and recognizes income only when a contract is completed. If the Company had followed the accrual method of accounting, profits on uncompleted contracts would have been recognized earlier and the amounts of annual profits would accordingly vary from the recorded amounts. At June 30, 1969 the work in progress upon which no profit has been recorded amounted to \$701,071.

10. Share Capital

	Pro Forma Balance Sheet	
	Before Financing	After Financing
Pro Forma Balance Sheet, before financing:		
Authorized 1,200,000 shares without par value		
Issued and fully paid 500,000 shares	\$8,206	
Pro Forma Balance Sheet, after financing:		
Authorized 1,200,000 shares without par value		\$588,206
Issued and fully paid 600,000 shares		
	<u>\$8,206</u>	<u>\$588,206</u>

The Company has established a stock option plan under which 30,000 shares have been reserved, 12,000 to be issued at prices and on terms to be established by the executive committee of the Board of Directors of the Company from time to time and 18,000 to be issued pursuant to options granted to certain key employees, other than officers of the Company. These latter options are for a 5 year period at a price of \$5.80 per share, exercisable as to not more than 20% on a cumulative basis in each year by each optionee and will expire in 1974 or earlier if the optionee ceases to be an employee of the Company.

11. Goodwill

The amount of \$66,954 arose, to the extent of \$66,000, at the time that Dynatherm Limited took over the assets of a partnership carried on under the name Beaver Engineering Company in 1954 (being the difference between the purchase price of such assets and their book value), and to the extent of \$954 at the time of the purchase by Beaver Air Conditioning Limited of substantially all the assets of Lloyd A. Book Limited.

CERTIFICATE OF BEAVER

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Section 13 of the Securities Act (New Brunswick), by Part VII of The Securities Act, 1966 (Ontario) and the regulations thereunder, by Part VII of The Securities Act, 1968 (Manitoba) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatchewan) and the regulations thereunder, by Part 7 of The Securities Act, 1967 (Alberta) and the regulations thereunder, and by Part VII of the Securities Act, 1967 (British Columbia) and the regulations thereunder.

Dated: October 15, 1969

(Signed) W. H. Harper
President
Chief Executive Officer

(Signed) J. L. Attwood
Vice President
Chief Financial Officer

On behalf of the Board of Directors by:

(Signed) Colin Hersh
Director

(Signed) C. E. Bell
Director

DIRECTORS

(Signed) W. H. Harper

(Signed) L. L. Bell

(Signed) L. A. Book*

(Signed) C. E. Bell

(Signed) J. L. Attwood

(Signed) Elmer C. Strongitharm

(Signed) Colin Hersh

(Signed) G. E. Blair

(Signed) W. Z. Estey

*By his agent: (Signed) W. H. Harper

CERTIFICATE OF THE UNDERWRITER

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Section 13 of the Securities Act (New Brunswick), by Part VII of The Securities Act, 1966 (Ontario) and the regulations thereunder, by Part VII of The Securities Act, 1968 (Manitoba) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatchewan) and the regulations thereunder, by Part 7 of The Securities Act, 1967 (Alberta) and the regulations thereunder, and by Part VII of the Securities Act, 1967 (British Columbia) and the regulations thereunder.

Dated: October 15, 1969

RICHARDSON SECURITIES OF CANADA

By: (Signed) H. R. Bennett

The following is the name of the only person having an interest, either directly or indirectly, to the extent of not less than 5% in the capital of Richardson Securities of Canada: George T. Richardson.

CERTIFICATE OF THE COMPANY

Pursuant to a resolution duly passed by the Board of Directors, the applicant Company hereby applies for listing of the above-mentioned securities on The Toronto Stock Exchange, and the undersigned officers hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

BEAVER ENGINEERING LIMITED



By "W. H. HARPER",
President

By "J. L. ATTWOOD",
Secretary

Dated November 12, 1969.

CERTIFICATE OF UNDERWRITER

To the best of our knowledge, information and belief, all of the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

RICHARDSON SECURITIES OF CANADA

By "H. R. BENNETT"

DISTRIBUTION OF CAPITAL STOCK AS OF NOVEMBER 26, 1969

Number		Shares
9	..... Holders of 1 — 24 share lots	63
35	..... " " 25 — 99 " "	1,685
160	..... " " 100 — 199 " "	16,665
71	..... " " 200 — 299 " "	14,720
19	..... " " 300 — 399 " "	5,700
8	..... " " 400 — 499 " "	3,235
22	..... " " 500 — 599 " "	12,650
24	..... " " 1000 — up " "	546,582
348	Shareholders	Total shares 601,300

